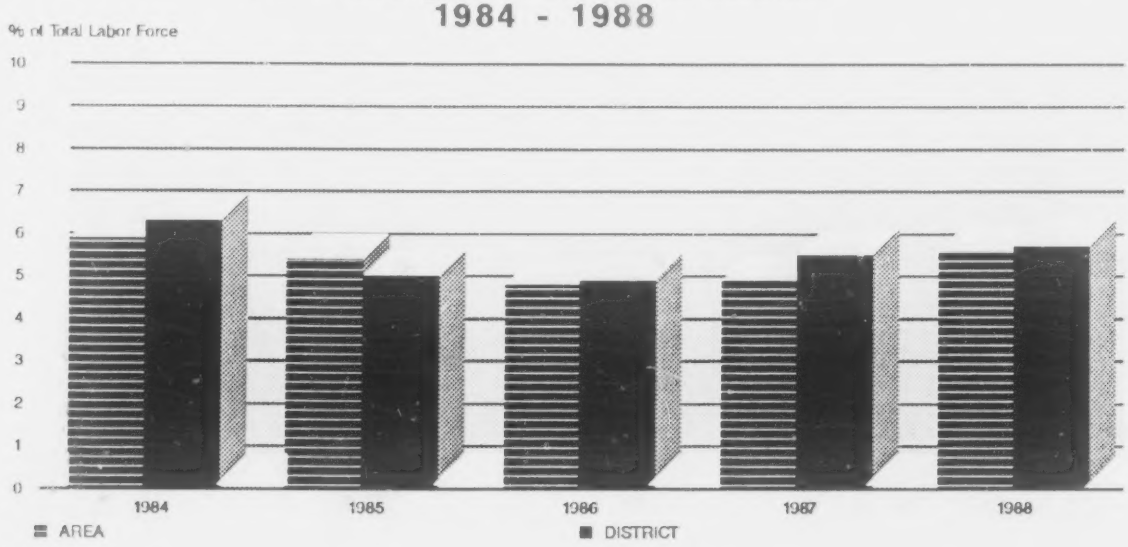
LABOR FORCE PROFILE:

The Self-Employed in the Washington Area and the District

The Self Employed As A Percent Of The Labor Force
The Washington Area & The District
1984 - 1988



The Current Population Survey (CPS)[1] divides workers into three classes: (1) wage and salary workers, (2) the self-employed and (3) unpaid family workers. By far the largest number of workers are classified in the wage and salary category, followed by the self-employed and a small number of unpaid family workers. In the Washington Area and the District, the following is the class-of-worker distribution for 1988:

Classes-of-Workers

The Washington Area & The District

1988

(Annual Averages—In Thousands)

	Area	District
Total Experienced Workers	2,108	333
Wage & Salary Workers	1,991	314
Self-Employed Workers	117	19
Unpaid Family Workers	1	NA

[1]/The CPS is the monthly household survey conducted by the Census Bureau for the Bureau of Labor Statistics and used by BLS to estimate monthly national unemployment. The CPS sample in the District and the Area is too small to provide usable monthly estimates, however, annual averages from the CPS are useful in analysis of yearly changes and demographics of the labor force.

This study focuses on the self-employed. The Bureau of Labor Statistics defines the self-employed as being, "Those persons who work for profit or fee in their own business, profession, or trade, or operate a farm[2] Thus, in the Washington Area the self-employed probably include many professionals such as doctors, dentists, accountants, private duty nurses, and real estate salespersons, as well as, carpenters, plumbers, electricians, cab drivers, and street vendors. The data are annual averages from the Current Population Survey.

Self-Employed Trends 1984-1988

In 1988, the self-employed labor force in the Washington Area numbered 117,000 individuals and in the District 20,000. This was 5.6 percent of all Area workers and 5.7 percent of all District workers.

Over the 5-year study period, self-employment

[2]Bureau of Labor Statistics, Employment and Earnings, May 1989 page 160.

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in the Washington Area increased by about 13,000 workers, but as a proportion of all workers, it actually declined from 5.9 percent in 1984 to 5.6 percent last year (1988). The reason being the total labor force increased more rapidly (20.5 percent) then did the self-employed labor force (12.5 percent). For the first three years of the study (1985 through 1987), the self-employed actually declined from 104,000 in 1984 to 101,000 in 1987. During 1988, however, the number of self-employed increased by 16,000 or 15.8 percent.

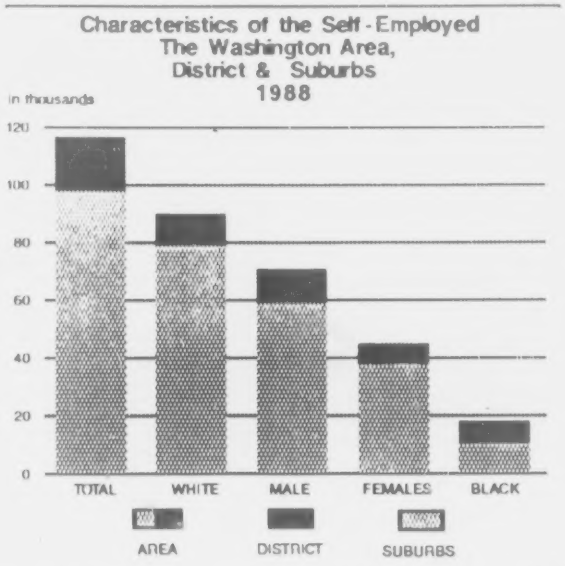
For each year of the study, annual average unemployment among Area's self-employed remained very low, ranging from a high of 1.8 percent in 1984 to a low of 1.3 percent last year. Unemployment among the Area's self-employed averaged about 2,000 in 1988 or only about 3 percent of all the 63,000 unemployed Area residents.

In the District, the general pattern over the 5 years was essentially the same as across the Area, but in the City the self-employed labor force actually declined by 1,000 workers, a loss of about 5.0 percent. This contrasts with a 5.7 percent gain in the total labor force. So as proportion of all District workers, the self-employed fell from 6.3 percent of all District workers in 1984 to 5.7 percent last year.

Like in the Area, the annual unemployment rate among the self-employed in the District was relatively low for all 5 years. However, because of the small CPS sample, the estimation of the number of unemployed self-employed failed BLS publication standards due to sampling error. Nevertheless, unpublished monthly data from the Survey indicates that for the past ten years, unemployment among the self-employed in the District experienced fairly large monthly swings both up and down. These monthly shifts tended, however, to balance out over the year and resulted in low annual rates. So, while unemployment among the self-employed in the District is low over the year, it is subject to a relatively wide monthly variation, probably reflecting the seasonal nature of many of the businesses of the self-employed, such as street vending and other tourist related activities.

Demographics Of The Self-Employed (1988)

Of the 117,000 Area self-employed in 1988, about 77 percent were white and 61 percent were males. Within the total labor force, whites comprised about 71 percent and males 53 percent. Thus, the self-employed tended to be slightly more white (+7 percent) and more male (+8 percent) than the labor force itself. Conversely, women were underrepresented by about 8 percentage points and blacks by nearly 10 percentage points.



In the District, the self-employed also tended to be primarily white (57.9 percent) and male (63 percent). By contrast, females in the District represented 51 percent of the labor force, but only 37 percent of the self-employed. Blacks comprised an even larger 63 percent of all workers, but only 42 percent of the self-employed, a difference of over 20 percentage points. Interestingly, the data indicates that most of the black self-employed workers live in the suburbs (10,000 suburbanites vs. 8,000 District residents). So both in the Area and the District, women and blacks are significantly underrepresented among the self employed.

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OBSERVATIONS

The self-employed in the Area represent only a small proportion of all workers, but also a declining proportion. Growth of the self-employed has not kept pace with the general growth in the labor force. In fact, self-employment actually showed a small decline among District residents. Annual unemployment among the self-employed tends to be low, but monthly data indicates that it swings widely throughout the year. The self-employed tend to be predominantly white and male with significant underrepresentation among women and blacks, even within the District.

The Self-Employed in the Washington Area and the District
1984-1988
(in thousands)

THE AREA	Total Experienced Labor Force	Self-Employed			
		Labor Force	Employ-ment	Unemploy-ment	Rate
1984	1749	104	103	2	1.8
1985	1823	98	96	2	1.6
1986	1991	96	94	1	1.4
1987	2041	101	99	2	1.6
1988	2108	117	115	2	1.3

THE DISTRICT	Total Experienced Labor Force	Self-Employed			
		Labor Force	Employ-ment	Unemploy-ment	Rate
1984	315	20	19	1	3.4
1985	317	16	16	*	2.5
1986	324	16	16	*	1.9
1987	330	18	17	*	0.9
1988	333	19	19	*	1.9

*Data does not meet publication standards

SOURCE: Bureau of Labor Statistics. Unpublished data from the Current Population Survey

Characteristics of the Self-Employed
The Washington Area & The District
1988
(in thousands)

	The Area		The District	
	Number	%	Number	%
Total	117	100.0	19	100.0
White	90	76.9	11	57.9
Black	18	15.4	8	42.1
Male:	71	60.7	12	63.2
White	57	48.7	6	31.6
Black	10	8.5	6	31.6
Female:	45	38.5	7	36.8
White	33	28.2	5	26.3
Black	9	7.7	2	10.5

Detail may not add to totals because of independent rounding.

SOURCE: Bureau of Labor Statistics. Unpublished data from the Current Population Survey

Unemployment Rates

Metropolitan Areas

In March 1989, the Bureau of Labor Statistics ranked 256 Metropolitan Statistical Areas (MSAs) by preliminary unemployment rates. Historically, the Washington Area's jobless rate declines slightly between February and March. The March rate fell 0.2 percentage point to 2.8 percent. This was the thirteenth lowest of all 256 areas reporting. A year ago, the rate was 2.9 percent.

Comparing the Washington Area with other large metropolitan areas nationwide, the Washington Area's rate at 2.8 percent was the lowest of all the major metropolitan areas. The Boston Area rate was up from 3.2 percent in February to 3.3 percent in March. A year ago, Boston's rate was also 3.0 percent. The Washington and Boston Area have had the lowest jobless rates of the major metropolitan areas over a period of four years. The Richmond-Petersburg Area, 110 miles to the south of Washington, posted a March rate of 3.9 percent same as February's. A year ago, the Richmond-Petersburg rate was also 3.2 percent. The Baltimore Area, only 35 miles north of Washington, posted a 4.4 percent jobless rate down from 4.5 percent recorded in February. A year ago, Baltimore's rate was 4.9 percent.

Of the 256 metropolitan areas for which March data are available, 92 had over-the-year decreases in their unemployment rate of 1 percentage point or more, and 4 had increases of that magnitude. Sixty-three areas had rates below 4 percent, while 21 had rates exceeding 8 percent.

Unemployment Rates in Selected Major Metropolitan Statistical Areas*

MSA	March	
	1989*	1988
1. Washington, D.C.	**2.8**	**2.9**
2. San Francisco, CA	3.0	3.5
3. Boston, MA	3.3	3.0
4. San Diego, CA	3.3	3.0
5. Philadelphia, PA	3.4	4.3
6. Newark, NJ	3.4	4.4
7. Minneapolis-St. Paul, MN	3.6	3.5
8. Los Angeles, CA	3.7	4.4
9. Oakland, CA	3.8	4.6
10. Richmond-Petersburg, VA	3.9	3.2
11. Milwaukee, WI	4.0	4.5
12. Indianapolis, IN	4.2	5.6
13. Nashville, TN	4.4	4.2
14. Portland, OR	4.4	5.2
15. New York, NY	4.4	4.2
16. Baltimore, MD	4.4	4.9
17. Cincinnati, OH	4.5	6.3
18. Seattle, WA	4.6	5.3
19. Pittsburgh, PA	4.6	6.5
20. Columbus, OH	4.7	6.2
21. Sacramento, CA	4.8	5.5
22. Phoenix, AR	4.8	4.9
23. Cleveland, OH	4.9	7.3
24. Dallas, TX	5.0	6.4
25. Memphis, TN	5.1	5.0
26. Kansas City, MO	5.1	5.1
27. Atlanta, GA	5.1	5.0
28. Salt Lake City, UT	5.3	5.6
29. Oklahoma City, OK	5.3	5.8
30. Houston, TX	5.5	7.8
31. Chicago, IL	5.5	6.9
32. Jackson, MS	5.6	5.3
33. Buffalo, NY	5.7	5.5
34. Miami, FL	5.7	5.1
35. Birmingham, AL	5.8	5.7
36. St. Louis, MO	6.0	6.3
37. Montgomery, AL	6.0	5.8
38. Louisville, KY	6.4	7.0
39. Denver, CO	6.7	6.7
40. Detroit, MI	6.8	8.3
41. New Orleans, LA	8.2	9.7

*Preliminary unemployment rates

States

When the District of Columbia (with a March preliminary unemployment rate of 5.7 percent) was ranked with the 50 States, the District had the twenty-second lowest jobless rate in the country. This was the same standing as February. Virginia's rate at 4.1 percent was down from the 4.5 percent posted in February. Maryland's rate was also down from 4.2 percent to 4.0 percent. Virginia and Maryland ranked forty-second and forty-third, respectively, in the standings of the 51 jurisdictions. A year ago, the rates in Virginia and Maryland were 3.8 percent and 4.5 percent, respectively.

Fourteen states reported over-the-year declines of 1 percentage point or more in their unemployment rate. The largest declines were in West Virginia (2.6 percentage points), Ohio (2.2 points), and Louisiana and Texas (both 2.0 points). There were over-the-year increases of 0.5 percentage point or more in the District of Columbia and four states—Alabama, Massachusetts, Mississippi, and Rhode Island.

Eight states had March unemployment rates below 4 percent. The states with the lowest rates were New Hampshire (2.7 percent), Connecticut (3.0 percent), and North Carolina (3.2 percent). Four states had rates over 8 percent—Louisiana (9.6 percent), Alaska (9.5 percent), Mississippi (8.5 percent), and West Virginia (8.1 percent).

Cities

In comparison with the 25 selected central cities, the District of Columbia (with a March preliminary rate of 5.7 percent) had the tenth lowest jobless rate. This was one notch below the February standing. In March, the average unemployment rate of all 26 cities was 6.3 percent down from 6.6 percent in February. A year ago, the average rate was 7.6 percent, same as February 1988. There were thirteen cities including the District of Columbia with rates at 6 percent or below. Baltimore's rate at 6.9 percent was up from the 6.8 percent posted in February. In March 1988, the Baltimore rate was 7.6 percent.

Detroit posted the highest jobless rate at 10.2 percent. Three other cities recorded jobless rates above 8 percent—Buffalo (8.1 percent), New Orleans (8.4 percent) and Gary (9.9 percent). The lowest rates were in San Francisco and Boston, 3.5 percent and 3.6 percent, respectively. Eight cities (San Francisco, Boston, Los Angeles, Pittsburgh, New York, Milwaukee, Philadelphia and Columbus) had jobless rates between 3 and 5 percent.

Of the 26 selected central cities, twenty-two reported over-the-year declines, with the largest being posted by Gary 4.9 percent, Cleveland 3.3 percent, Houston 2.5 percent, Dayton 2.4 percent, and Cincinnati 2.2 percent. Three central cities reported-over-the-year increases in joblessness, with the District of Columbia posting the largest—0.5 percent. New York's rate was unchanged over the year.

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Government of the District of Columbia
Marion Barry, Jr., Mayor

Department of Employment Services
500 C Street, NW.

Unemployment Rates by State, March 1989

Unemployment Rates in Selected Cities*

	March	
	1989*	1988
1. San Francisco, CA	3.5	4.2
2. Boston, MA	3.6	3.4
3. Los Angeles, CA	4.1	5.0
4. Pittsburgh, PA	4.3	6.1
5. New York, NY	4.6	4.6
6. Milwaukee, WI	4.7	5.8
7. Philadelphia, PA	4.7	5.8
8. Columbus, OH	4.9	6.2
9. Cincinnati, OH	5.3	7.5
10. District of Columbia	**5.7**	**5.2**
11. Salt Lake City, UT	5.7	6.1
12. Dallas, TX	5.8	7.4
13. Houston, TX	5.8	8.3
14. Chicago, IL	6.8	8.5
15. Baltimore, MD	6.9	7.6
16. Newark, NJ	6.9	9.0
17. Miami, FL	7.0	6.3
18. Atlanta, GA	7.1	7.7
19. Dayton, OH	7.6	10.0
20. Cleveland, OH	7.6	10.9
21. Birmingham, AL	7.9	8.2
22. St. Louis, MO	7.9	8.2
23. Buffalo, NY	8.1	7.7
24. New Orleans, LA	8.4	10.1
25. Gary, IN	9.9	14.8
26. Detroit, MI	10.2	11.9

*Preliminary unemployment rates.

Department Participates in Pilot Project to Improve Area's Automated Job Bank

The Department of Employment Services is engaged in a major pilot program with four other states in the Mid-Atlantic Region to test the feasibility of computer-assisted self-search and self-referral to job opportunities throughout the Region.

In Phase I of the Multi-State Job Bank pilot, jobseekers will conduct their own independent search through a user-friendly computer system called "Job Net" which lists job information from the District of Columbia, Maryland, Virginia, West Virginia and Pennsylvania. Locally, computer terminals will be housed in all eight of the Department's employment centers with plans to eventually include large public facilities such as shopping malls and libraries.

In the initial 18-month phase, the applicant self-search system will allow jobseekers to conduct their own job search with employers, without the direct involvement of Departmental staff, unless such assistance is requested.

The automated Job Bank is a free service of the Department of Employment Services. Employers interested in listing jobs should call 724-3785.

Employers!

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Department of Employment Services
Government of the District of Columbia
Marion Barry Jr., Mayor

Unemployment Insurance Activities April 1989

Initial claims for unemployment compensation benefits taken by the District of Columbia totalled 2,500 in April 1989. This total compares with 2,750 taken in March of this year, and represents a 6 percent monthly decline. This marks the third year in a row when April claims ran counter to established trends for the first month of a calendar quarter. The first month of the quarter is the beginning of a new base period for determining the level of benefits for unemployment compensation, and claims tend to increase. This increase usually comes from claimants who are eligible in a prior period, but who opt to wait until the month when the base period changes to take advantage of a higher benefit.

Likewise, all other measures, with the exception of the average weekly benefit amount and the number of final payments, took a monthly plunge. The number of weeks claimed, the number actually compensated, and the total benefit outlay each decreased approximately 11 percent. The April benefit payout was $6.4 million, and is the lowest on record this year. The low point last year was $5.3 million in October.

The April average weekly benefit amount, while not declining, rose only less than half a percentage point over the month to $196.77. This measure may be stabilizing early this year following the increase in the maximum weekly benefit amount in January of this year, along with an accompanying higher scale of benefits.

Compared to April of last year, all measures increased except initial claims and the number of first payments. This was almost the exact opposite of the April 1988 situation when all measures decreased from the previous year except the average weekly benefit amount. The greatest relative change this year, as expected, is in the total benefit outlay.

The January-April 1989 experience compared to the previous year almost exactly mirrors the comparison for the April and March experience of 1989—a decline in most of the measures. The exception in the 4-month experience is an increase in the number of final payments—and it was only slight.

The total benefit outlay through April 1989 is $27.0 million—up 6 percent from last year.

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- Resume Bank
- Labor Market Information

Department of Employment Services

Selected Unemployment Insurance Benefit Statistics
(Regular Programs)
District of Columbia
April 1989

	Apr. 1989	Mar. 1989	Apr. 1988	% Change From Mar. 1989	% Change From Apr. 1988
State UI Program a/					
Initial Claims Taken	2,409	2,595	2,526	-7.2	-4.6
Weeks of Unemployment Claimed	31,308	35,247	31,455	-11.2	-0.5
Weeks of Unemployment Compensated	29,730	33,951	29,509	-12.4	+0.7
Total Benefits Paid	$5,753,437	$6,583,756	$5,340,411	-12.6	+7.7
Average Weekly Benefit Payment	$193.52	$193.92	$180.98	-0.2	+6.9
Number of First Payments	1,313	1,730	1,429	-24.1	-8.1
Number of Final Payments	785	787	774	-0.3	+1.4
Total Beneficiaries	8,789	9,298	8,777	-5.5	+0.1
Federal Program b/					
Initial Claims Taken	144	129	104	+11.6	+38.5
Weeks of Unemployment Claimed	2,415	2,545	1,943	-5.1	+24.3
Weeks of Unemployment Compensated	2,701	2,772	1,814	-2.6	+48.9
Total Benefits Paid	$628,377	$627,232	$360,794	+0.2	+74.2
Average Weekly Benefit Payment	$232.65	$226.27	$198.89	+2.8	+17.0
Number of First Payments	177	189	111	-6.3	+59.5
Number of Final Payments	63	60	57	+5.0	+10.5
Total Beneficiaries	803	772	536	+4.0	+49.8
Ex-Servicepersons Program c/					
Initial Claims Taken	35	30	70	+16.7	-50.0
Weeks of Unemployment Claimed	268	296	416	-9.5	-35.6
Weeks of Unemployment Compensated	203	221	296	-8.1	-31.4
Total Benefits Paid	$39,676	$41,917	$58,782	-5.3	-32.5
Average Weekly Benefit Payment	$195.45	$189.67	$198.59	-3.0	-1.6
Number of First Payments	24	20	27	+20.0	-11.1
Number of Final Payments	15	12	15	+25.0	+0.0
Total Beneficiaries	69	65	94	+6.2	-26.6
Total—All Programs					
Initial Claims Taken	2,588	2,754	2,700	-6.0	-4.1
Weeks of Unemployment Claimed	33,991	38,088	33,814	-10.8	+0.5
Weeks of Unemployment compensated	32,634	36,944	31,619	-11.7	+3.2
Total Benefits Paid	$6,421,490	$7,252,905	$5,759,987	-11.5	+11.5
Average Weekly Benefit Payment	$196.77	$196.32	$182.17	+0.2	+8.0
Number of First Payments	1,514	1,939	1,567	-21.9	-3.4
Number of Final Payments	863	859	846	+0.5	+2.0
Total Beneficiaries	9,661	10,135	9,407	-4.7	+2.7

a. Includes joint claims with Unemployment Compensation for Federal Employees (UCFE), and/or Unemployment Compensation for Ex-Servicepersons (UCX).

b. Includes joint claims with Unemployment Compensation for Ex-Servicepersons (UCX).

c. No joint claims.

Hours and Earnings in Manufacturing

Total Manufacturing Average Weekly Earnings in the Metropolitan Area for April 1989 rose $10.72. Average Weekly Hours showed a slight increase of .2 hour. Average Hourly Earnings were up 21 cents.

In the Durable Goods Sector, Stone, Clay and Glass Products had an increase in Weekly Earnings of $59.41. Weekly hours increased 4.0 hours, as Hourly Earnings went up 29 cents due to overtime. Electric Machinery Equipment and Supplies reported an increase in the proportion of higher paid employers causing Weekly Earnings to rise $8.56. The Hourly Earnings went up 30 cents.

In the Non-Durable Goods Sector, Food and Kindred Products reflects an increase in Weekly Earnings of $11.76. Weekly Hours rose slightly .3 hour and Hourly Earnings rose 21 cents because of overtime. Other Non-Durable Goods reported an increase in the proportion of higher paid employees which caused Weekly Earnings to rise $10.86 and Hourly Earnings to rise 41 cents.

Earnings of Production Workers in Manufacturing
Washington Metropolitan Area
April 1989

	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings		
	Apr. 1989	Mar. 1989	Apr. 1988	Apr. 1989	Mar. 1989	Apr. 1988	Apr. 1989	Mar. 1989	Apr. 1988
Total Manufacturing	474.81	464.09	437.97	39.9	39.7	39.0	11.90	11.69	11.23
Durable Goods	493.31	484.63	437.83	42.6	42.4	41.5	11.58	11.43	10.55
Stone, Clay & Glass Products	558.99	499.58	511.90	47.9	43.9	46.2	11.67	11.38	11.08
Electric Machinery, Equipment & Supplies	507.53	498.97	461.85	40.7	41.0	41.2	12.47	12.17	11.21
Other Durable Goods	471.37	474.82	409.25	42.2	42.7	40.6	11.17	11.12	10.08
Non-Durable Goods	459.56	446.56	425.72	37.7	37.4	36.7	12.19	11.94	11.60
Food & Kindred Products	427.65	415.89	416.43	41.6	41.3	38.1	10.28	10.07	10.93
Printing & Publishing	481.82	468.14	453.47	36.2	35.6	35.4	13.31	13.15	12.81
Other Non-Durable Goods	388.64	377.78	335.60	41.7	42.4	40.0	9.32	8.91	8.39

Total Production Workers	Apr. '89	Mar. '89	Apr. '88
	43,100	43,100	43,400

Note: Data reflects Revision to 1988 Benchmark

W A S H I N G T O N , D . C .

DEPARTMENT OF EMPLOYMENT SERVICES

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MARION BARRY JR., MAYOR

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF EMPLOYMENT SERVICES
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METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES

DATA FOR MAY 1989 JULY 1989

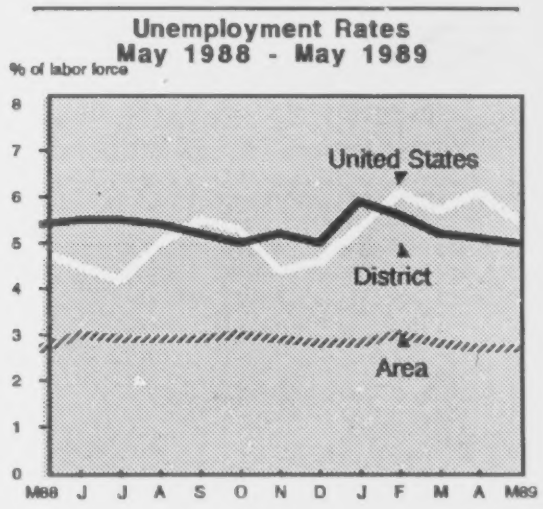
D.C. Rate in May Declines to 5.5%

Area Jobs Expanding at 3.6%

Labor Force

The District

The unemployment rate in the District declined sharply from 6.1 percent in April to 5.5 percent in May. On the other hand, unemployment among suburbanites increased slightly from 2.1 percent in April to 2.3 percent in May. As a result of the offsetting movements in the District and the suburbs, the unemployment rate for the Washington Area remained unchanged at 2.7 percent of the labor force. The unemployment rate (unadjusted) for all American workers in May was 5.0 percent, down from 5.1 percent in April.



During the month of May, the District's labor force contracted by 2,300 workers with all of the decline coming from the unemployment rolls as the number of working residents remained unchanged over the month. This May's activity reflects a very strong historical seasonal pattern in the District. In every year for the past twelve years, the size of the District's labor force has declined between April and May. This pattern seems to coincide with the completion of the spring semester at the City's colleges and universities. When school ends, students return to their hometowns or otherwise change, at least temporarily, their local labor force attachment. In eleven of the past twelve years, District employment also has declined in May. Thus, this year's relative employment stability in May is an encouraging sign for future months.

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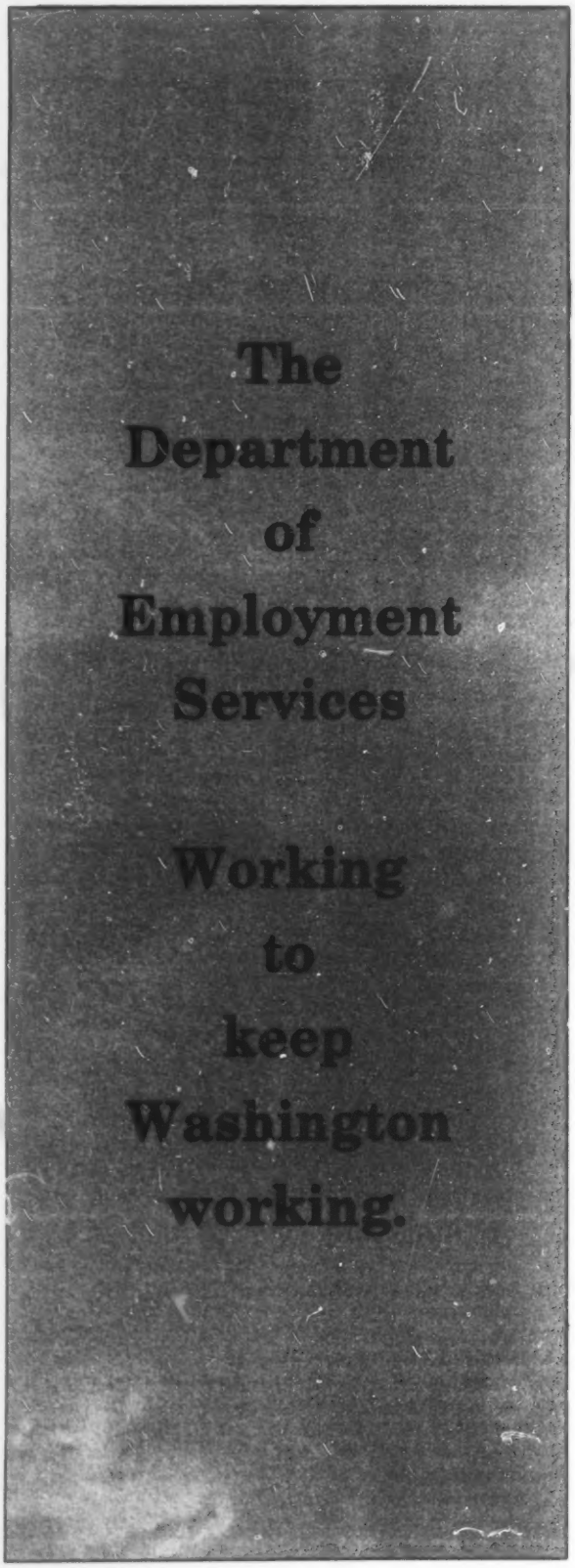
Government of the District of Columbia
Marion Barry, Jr., Mayor

Department of Employment Services
F. Alexis H. Roberson
Director



METROPOLITAN WASHINGTON, D.C.

AREA LABOR SUMMARY

THE D.C. DEPARTMENT OF EMPLOYMENT SERVICES

DATA FOR MAY 1989 JULY 1989

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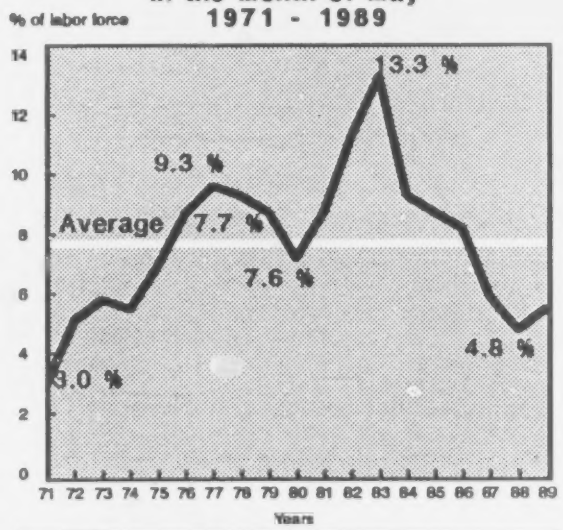
Inquiries and requests for labor market information may be obtained by writing to the above address, or by calling: (202) 639-1641 or 639-1642.

Continued from page 1

Compared to May 1988, the labor market status of District residents has deteriorated somewhat. This year, there were 8,400 fewer residents in the labor force and 10,200 fewer working. As a result, the unemployment rolls increased over the year by 1,700 workers and the rate increased by seven-tenths of a percent. Last year's May unemployment rate of only 4.8 percent was exceptionally low. The lowest recorded in the City in seventeen years. Except for last May, the May's unemployment rate is the lowest for the month since 1974 when the rate was also 5.5 percent. While the District's unemployment rate is up over the year, in a historical perspective, it is one of the lowest in the past 15 years.

District Unemployment Rates In the Month of May 1971 - 1989



The Area & Suburbs

In contrast to the 2,300-person decline in unemployment in the District, joblessness among suburbanites increased in May by 3,000. For the first time in many months, the local economy was unable to absorb all the new suburban workers. During May, the suburban labor force added 11,800 workers, but only 8,800 were added to payrolls. As a result, the suburban unemployment increased two tenths of a percent to 2.3 percent of the labor force. Even though the suburban rate increased, it still represents an extremely low rate indicating a continuation of a labor shortage among workers living in the suburbs.

Over the year, 56,500 suburbanites joined the job market, but suburban employment expanded even more (61,100). Thus, the already small pool of available jobless suburban residents was further drained as the level of suburban unemployment fell by 4,500, and the rate declined from 2.6 percent of the labor force in May 1988 to 2.3 percent this past May.

For the Area as a whole, the May decrease in unemployment in the District nearly offset the increase in the suburbs, resulting in a very slight 700-person increase in the Area's total pool of unemployed. Thus, the Area's jobless rate remained at 2.7 percent.

Over the year, the Area's labor force grew by 48,100 or 2.2 percent. As has been the case for

Continued on page 4

Unemployed Rates in the Washington, D.C., MSA by City and County

	May a/ 1989	Apr. b/ 1989	May b/ 1988
District of Columbia	5.5	6.1	4.8
Calvert County	4.1	3.6	4.9
Prince Georges County	3.3	3.2	4.0
Frederick County	2.7	2.5	3.2
Charles County	2.7	2.5	3.3
Montgomery County	2.4	2.2	2.8
Alexandria City	2.0	1.9	1.9
Fairfax City	1.7	1.3	1.5
Arlington County	1.7	1.6	1.6
Stafford County	1.7	1.7	2.0
Manassas City	1.6	1.3	1.5
Prince William County	1.6	1.6	1.7
Fairfax County	1.5	1.4	1.6
Falls Church City	1.5	1.5	2.0
Loudoun County	1.3	1.2	1.5
Manassas Park City	1.0	1.1	1.3

a/ Preliminary.
b/ Revised.
SOURCE: The Department of Employment Services, the Maryland Department of Economic and Employment Development, and the Virginia Employment Commission.

Employment Status for the Civilian Population
District of Columbia, Suburban Ring, and the Washington, D.C. MSA
May 1989[a/]

	May b/ 1989	Apr. c/ 1989	May d/ 1988	Apr. d/ 1988	Net Change From Apr. 1989	Net Change From May 1988
Washington, D.C.						
Civilian Labor Force	325,100	327,400	333,500	339,900	-2,300	-8,400
Total Employed	307,300	307,300	317,500	322,300	——	-10,200
Total Unemployed	17,800	20,100	16,100	17,600	-2,300	1,700
Unemployment Rate e/	5.5	6.1	4.8	5.2	-0.6	0.7
Suburban Ring						
Civilian Labor Force	1,914,400	1,902,600	1,857,900	1,857,600	11,800	56,500
Total Employed	1,871,100	1,862,300	1,810,000	1,809,700	8,800	61,100
Total Unemployed	43,300	40,300	47,800	47,900	3,000	-4,500
Unemployment Rate e/	2.3	2.1	2.6	2.6	0.2	-0.3
Washington, D.C. MSA						
Civilian Labor Force	2,239,500	2,230,000	2,191,400	2,197,500	9,500	48,100
Total Employed	2,178,400	2,169,600	2,127,500	2,132,000	8,800	50,900
Total Unemployed	61,100	60,400	63,900	65,500	700	-2,800
Unemployment Rate e/	2.7	2.7	2.9	3.0	——	-0.2

a Detail may not add to the totals due to independent rounding. b. Preliminary. c. Revised.
d. Data reflects Benchmark Revisions. e. Seasonally unadjusted.

Estimated Labor Force and Employment for the Washington Metropolitan Area includes the District of Columbia; the Virginia cities of Alexandria, Fairfax, Falls Church, Manassas and Manassas Park; the Virginia Counties of Fairfax, Arlington, Prince William, Loudoun, and Stafford; and the Maryland Counties of Montgomery, Prince Georges, Charles, Frederick, and Calvert.

Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

Continued from page 3

sometime, the employment expansion of 50,900 or 2.4 percent was larger than the increase in the labor supply. Thus, the pool of jobless workers contracted from 2.9 percent to 2.7 percent thereby producing one of the tightest major labor markets in the nation.

Over the year, the suburbs had small gains and the District small losses in the relative shares of the Area's labor force and employment. However, the District increased its share of the Area's unemployed workers from 25.2 percent in May of 1988 to 29.1 percent in May of this year. Still, 7 of every 10 unemployed persons in the Washington Area lives in the suburbs, although the suburban unemployment rate is only 2.3 percent and the District's is 5.5 percent. This means that the District continues to have a disproportionately larger share of a very small supply of potential area workers.

Labor Force Distribution
Washington Metropolitan Area
May 1989 & May 1988

	Labor Force	Employed	Unemployed
		May 1989	
Area	100.0	100.0	100.0
District	14.5	14.1	29.1
Suburbs	85.5	85.9	70.9
		May 1988	
Area	100.0	100.0	100.0
District	15.2	14.9	25.2
Suburbs	84.8	85.1	74.8

Characteristics of the Insured Unemployed

The number of individuals receiving unemployment insurance (UI) benefits totaled 7,982 in May 1989—down 1,338 claimants from April. In May, 55 percent of all UI recipients were males. Occupationally, professional, technical and managerial workers accounted for 27 percent of the total claimants. This was followed by clerical and sales with 25 percent. Service workers ranked third accounting for 18 percent of the claimants.

The median duration of the current spell of insured unemployment was 10.6 weeks for all claimants in May up from 10.5 weeks reported in April. Over the month, the duration for males increased from 10.5 weeks to 11.2 weeks, while that for females also increased from 10.4 weeks to 10.6 weeks. In May 1988, the average duration for males was 10.7 weeks and 9.7 weeks for females.

Job Growth

The District

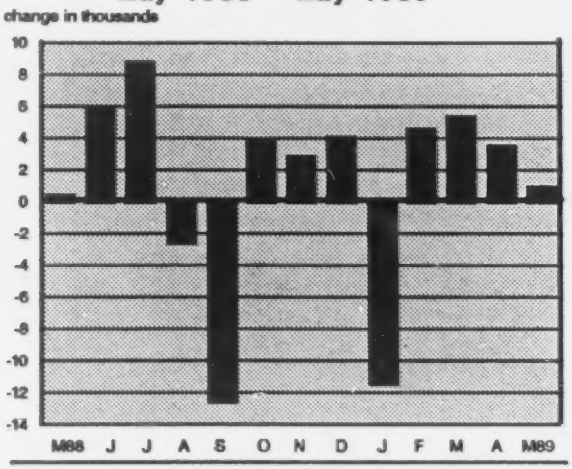
The number of jobs in the District increased by 1,000 for a gain of 0.1 percent between April and May. The public sector accounted for all of the growth with a gain in Federal Government (1,500 jobs) partially offset by a decline in State and Local Government (400 jobs).

The private sector declined by 100 jobs with losses primarily in Services (600 jobs) offsetting growth in Retail Trade (700 jobs). Seasonal losses in All Other Services (1,500 jobs), partially mitigated by a gain in Business Services (800 jobs), were responsible for the loss in Services, while the Trade growth occurred in Eating and Drinking Places (500 jobs).

Over the year (May 1988 to May 1989), the number of District jobs increased 2.1 percent for a gain of 14,100 jobs. **The private sector grew at a rate of 3.1 percent, generating 12,400 jobs and accounting for 88 percent of total growth.** The leading job producer Services, contributed 11,200 jobs and accounted for 79 percent of all new jobs. The major components of Services growth were Business Services (3,900 jobs), All Other Services (2,600 jobs), Legal Services (2,000 jobs) and Health Services (1,200 jobs). An additional 1,700 private sector jobs were generated by Wholesale and Retail Trade.

The public sector grew at a rate of 0.6 percent with gains in Federal Government (2,400 jobs) partially offset by a loss in State and Local Government (600 jobs).

Monthly Job Growth
The District
May 1988 - May 1989



The Suburbs

The number of suburban jobs increased 0.7 percent for a gain of 11,100 jobs between April and May. The private sector accounted for 73 percent of the growth with gains primarily in Services (3,000 jobs), Trade (2,300 jobs) and Construction (1,500 jobs). The Virginia suburbs were responsible for 80 and 61 percent of the respective growth in Services and Trade as well as two-thirds of the Construction growth.

The public sector gained 3,000 jobs with growth in both State and Local Government (1,600 jobs) and Federal Government (1,400 jobs). Seventy-three percent of the public sector growth occurred in the Virginia suburbs.

Over the year (May 1988 to May 1989), subur-

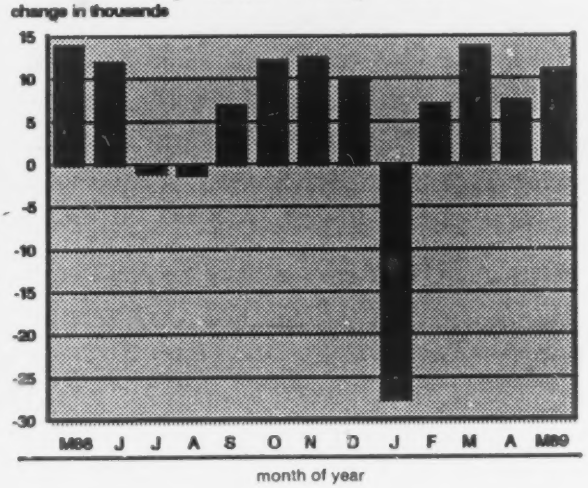
Continued on page 6

Continued from page 5

ban jobs grew at a rate of 4.3 percent for a gain of 64,000 jobs. **The Virginia suburbs grew at a rate of 6.0 percent accounting for 69 percent of suburban growth while the Maryland suburbs increased at a more modest rate of 2.7 percent.**

The private sector accounted for 81 percent of all new suburban jobs with the primary job producers, Services (25,200 jobs), Trade (8,100 jobs) and Construction (8,000 jobs), responsible for 80 percent of private sector growth. Seventy-nine percent of the Services growth and 86 percent of the Construction growth occurred in the Virginia suburbs as did 53 percent of the Trade growth. The Virginia suburbs were also responsible for 77 percent of the growth in Transportation, Communications, and Public Utilities (6,500 jobs) and Finance, Insurance and Real Estate (4,500 jobs).

Monthly Job Growth
The Suburbs
May 1988 - May 1989



In the public sector, substantial growth in State and Local Government (10,200 jobs) and a gain in Federal Government (2,000 jobs) resulted in growth over the year of 4.1 percent.

The Area

The Washington Metropolitan Area gained 12,100 jobs between April and May for an increase of 0.5 percent. The private sector was responsible for two-thirds of the growth with gains primarily in Trade (2,900 jobs), Services (2,500 jobs) and Construction (1,500 jobs).

The public sector increased by 0.7 percent with gains in both Federal Government (2,800 jobs) and State and Local Government (1,100 jobs).

Over the year (May 1988 to May 1989), the Area grew at a rate of 3.6 percent for a gain of 78,100 jobs. The private sector grew at a rate of 4.1 percent, generating 64,200 jobs and producing 82 percent of all new area jobs. The leading job contributor, Services (36,400 jobs), was responsible for 57 percent of all new private sector jobs. Significant private sector growth was also generated by Trade (9,700 jobs) and Finance, Insurance, and Real Estate (4,300 jobs). Strong growth also occurred in Construc-

Continued on page 8

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Wage and Salary Employment by Industry and Place of Work [a/]
(in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	May b/ 1989	Apr. c/ 1989	May. c/ 1988	May b/ 1989	Apr. c/ 1989	May c/ 1988
TOTAL	**685.5**	**684.5**	**671.4**	**2,235.7**	**2,223.6**	**2,157.6**
Total Private Sector	**409.9**	**410.0**	**397.5**	**1,648.6**	**1,640.5**	**1,584.4**
Total Government	**275.6**	**274.5**	**273.9**	**587.1**	**583.1**	**573.2**
Manufacturing	**16.1**	**16.1**	**16.5**	**86.6**	**86.5**	**87.4**
Total Durables	N/A	N/A	N/A	41.5	41.4	41.6
Stone, Clay, Glass, and Concrete Products	N/A	N/A	N/A	3.5	3.4	3.3
Electrical & Electronic Machinery, Equip., & Supp.	N/A	N/A	N/A	18.7	18.7	19.1
All Other Durables	N/A	N/A	N/A	19.3	19.2	19.1
Total Non-Durables	N/A	N/A	N/A	45.1	45.2	45.8
Food & Kindred Products	N/A	N/A	N/A	4.7	4.7	5.0
Printing & Publishing	13.2	13.2	13.1	34.8	34.8	34.6
All Other Non-Durables	N/A	N/A	N/A	5.6	5.6	6.2
All Other Manufacturing	2.9	3.0	3.4	N/A	N/A	N/A
Mining	**0.1**	**0.1**	**0.1**	**1.2**	**1.1**	**1.2**
Construction	**13.1**	**13.2**	**13.5**	**148.5**	**147.0**	**140.8**
Transportation, Communications & Public Utilities	**25.5**	**25.6**	**25.3**	**110.5**	**109.9**	**103.7**
Railroad	N/A	N/A	N/A	5.0	5.0	5.0
Transportation ex. Railroad	N/A	N/A	N/A	52.7	52.1	46.8
All Transportation	9.8	9.7	9.5	N/A	N/A	N/A
Communication & Public Utilities	15.8	15.8	15.8	52.8	52.8	52.0
Trade	**66.9**	**66.2**	**65.2**	**437.4**	**434.5**	**427.7**
Wholesale	9.3	9.4	9.0	76.9	76.8	77.4
Retail	57.5	56.8	56.1	360.5	357.7	350.3
General Merchandise	4.5	4.4	4.5	41.5	41.1	39.2
Food	N/A	N/A	N/A	48.1	47.5	46.0
Automotive	N/A	N/A	N/A	39.1	39.2	39.4
Apparel & Accessories	N/A	N/A	N/A	27.3	27.2	27.6
Eating & Drinking Places	28.9	28.4	28.0	116.0	114.9	113.3
All Other Retail	24.2	24.0	23.7	88.6	87.8	84.7
Finance, Insurance & Real Estate	**34.8**	**34.8**	**34.8**	**130.5**	**130.0**	**126.2**
Banking	6.7	6.7	7.0	24.4	24.4	23.2
All Other	28.0	28.0	27.8	106.1	105.6	103.0
Services	**253.4**	**254.0**	**242.2**	**733.8**	**731.3**	**697.4**
Hotels & Other Lodging Places	16.4	16.2	15.9	38.6	37.8	36.0
Personal Services	3.9	4.1	4.0	23.4	24.6	23.6
Business Services	58.3	57.6	54.4	N/A	N/A	N/A
Computer & Data Process	6.1	6.0	5.2	N/A	N/A	N/A
Health Services	36.3	36.1	35.1	N/A	N/A	N/A

Continued on page 8

Continued from page 7

Wage and Salary Employment by Industry and Place of Work [a/]
(in thousands)

INDUSTRY	District of Columbia			Metropolitan Area		
	May b/ 1989	Apr. c/ 1989	May c/ 1988	May b/ 1989	Apr. c/ 1989	May c/ 1988
Legal Services	28.2	28.2	26.2	N/A	N/A	N/A
Membership Organizations	33.1	33.0	32.2	N/A	N/A	N/A
All Other Services	77.2	78.7	74.6	671.8	669.0	637.8
Government	**275.6**	**274.5**	**273.9**	**587.1**	**583.1**	**573.2**
Federal Government	219.6	218.1	217.2	362.8	360.0	358.4
State & Local Government	N/A	N/A	N/A	224.3	223.2	214.8
State & Local Gov. Except Public Transportation	50.9	51.3	51.9	N/A	N/A	N/A
Public Transportation	5.2	5.2	4.8	N/A	N/A	N/A

a. Detail may not add to totals due to independent rounding. b. Preliminary. c. Revised.

Data includes all full- and part-time employees who worked during or received pay for any part of the pay period which includes the 12th of the month. Proprietors, self-employed, unpaid family workers, and private household workers are excluded.

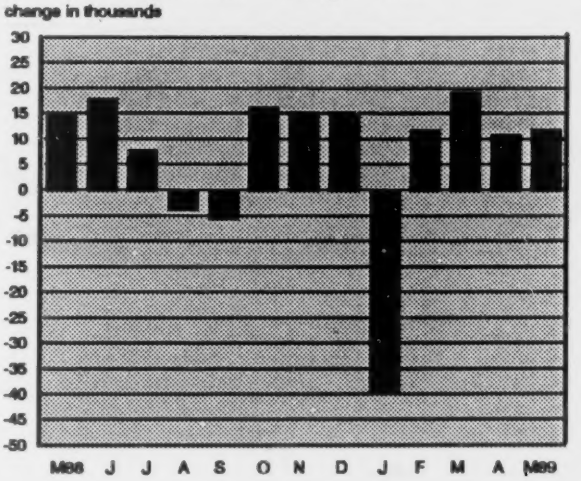
Source: Prepared by the Department of Employment Services, Labor Market Information and Research Staff in cooperation with the Virginia Employment Commission, the Maryland Department of Economic and Employment Development, and the U.S. Bureau of Labor Statistics.

Continued from page 6

tion (7,700 jobs) and Transportation, Communications, and Public Utilities (6,800 jobs) which registered growth rates of 5.5 and 6.6 percent, respectively.

The public sector grew at a rate of 2.4 percent with growth of 4.4 percent in State and Local Government (9,500 jobs) and 1.2 percent in Federal Government (4,400 jobs).

Monthly Job Growth
The Area
May 1988 - May 1989



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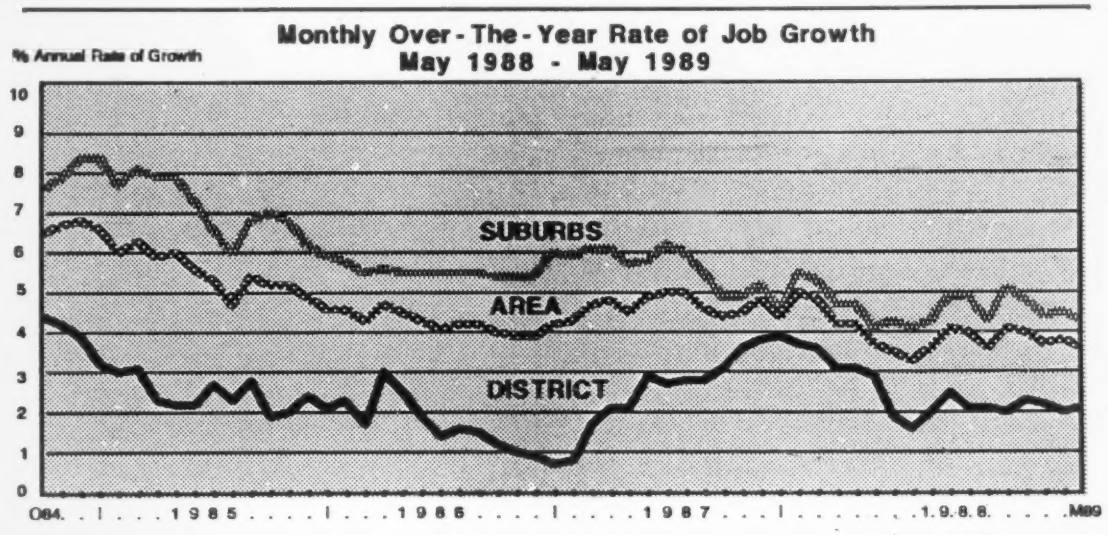


Area Job Growth Rates

Washington Area continues to create new jobs at a faster pace than the U.S. economy (3.6 percent vs. 2.9 percent for the U.S. economy).

Over the past 55 months, (October 1984 to May 1989), the Washington Area has created new jobs at a rate of 4.7 percent. Measured by monthly over-the-year changes, however, the rate of growth has been steadily declining after peaking at 6.8 percent in December 1984. Between May 1988 and May 1989, the Area's job growth slowed to 3.6 percent.

The Suburban portion of the Area is still the generator of most new jobs, having grown over the past year at a rate of 4.3 percent, but at a much slower pace than its 55-month long-term average of 5.8 percent. Over the past year, the District proper has added new jobs at a rate of 2.1 percent, slightly below its 55-month average of 2.4 percent.

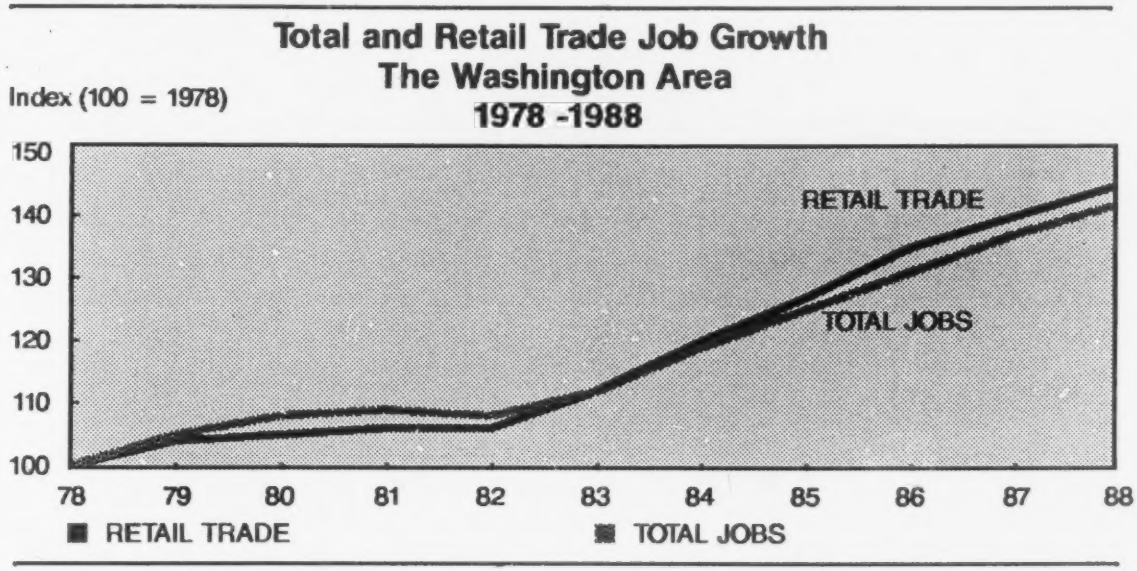
In absolute terms, job creation in the Area has declined from 106,700 new jobs produced between May 1984 and May 1985, to 78,100 between May 1988 and May 1989. Over the past year, 64,000 new jobs were added to the Suburban economy and 14,100 in the District. **The**

Profile of Job Growth Rates
October 1984 to May 1989

The Area	
Average 55 months	4.7%
High, December 1984	6.8%
Low, August 1988	3.3%
Current month	3.6%
The Suburbs	
Average 55 months	5.8%
High, January 1985	8.4%
Low, August 1988	4.1%
Current month	4.3%
The District	
Average 55 months	2.4%
High, October 1984	4.4%
Low, January 1987	0.7%
Current month	2.1%

INDUSTRIAL EMPLOYMENT PROFILE:

RETAIL TRADE



From time-to-time the LMIR unit provides profiles of job growth in Washington Area industries. This study profiles Retail Trade for the period 1978 to 1988. The data are annual employment averages from the Current Employment Statistics (CES) program, commonly referred to as "Non-Agricultural Wage and Salary Employment By Place of Work" or simply, the "Establishment Survey."

Retail Jobs in the Washington Area: 1978-1988

Over the past decade, the retail trade industry has added 109,600 new jobs to the Washington Area's economy, bringing the total employed in the industry in 1988 to 352,700. This growth was a 45.1 percent increase in jobs over the 10-year period, or about 4.5 percent per year. The retail growth rate was slightly higher than the growth for all Area jobs (42.0 percent). New retail jobs accounted for about 17.1 percent of all the 639,800 new Area jobs. However, this strong retail growth did not substantially alter the industry's proportional share of total Area jobs. In 1978, the industry represented 15.9 percent of the total pool of Area jobs, and in 1988—16.3 percent, an increase of only four tenth's of a percentage point.

By contrast, retail jobs in the national economy between 1978 and 1988 increased by 31.8 percent, or at a less rapid rate than similar local jobs.[1] However, national retail employment constituted 18.1 percent of all U.S. jobs in 1988. Although, local retail jobs grew faster than those across the nation, the local retail employment sector is smaller than its national counterpart.

Cyclical Pattern in Retail Jobs

Annual retail job growth in the Area over the past decade was uneven. The industry showed a strong cyclical response to the national recessions of the early 1980s. At the beginning of the decade, the industry's annual growth rate slowed from 3.6 percent in 1979 to 1.9 percent in 1981, and negative growth of 1.5 percent in 1982. These years are parallel to the national economic recessions. In 1983, the Area's retail industry began a post recessionary job expansion which peaked in 1984 with an annual growth of 7.4 percent, or 20,200 new jobs. Since 1984, annual

[1]National data is from the Bureau of Labor Statistics, Employment and Earnings, January 1989 and the Supplement to Employment and Earnings, August 1988.

Continued on page 11

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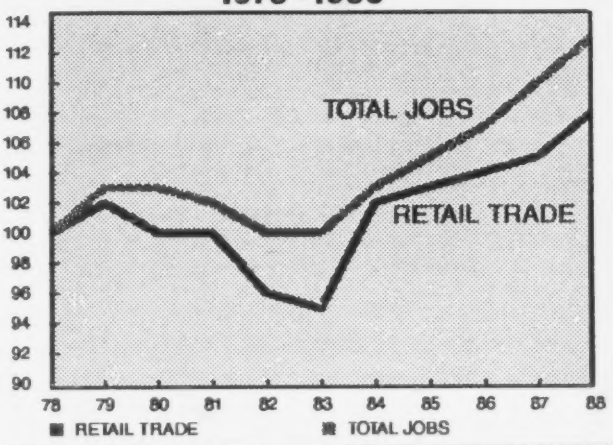
retail employment growth has been gradually slowing. In 1988, the rate was 3.6 percent, or the same as 1978 and about half its 1984 peak year. By comparison, jobs in retail trade across the nation in 1988 grew by 3.8 percent, or just slightly faster than those in the local economy.

Components of Area Retail Job Growth.

Within the local retail trade industry the largest subcomponent is eating and drinking places. Over 112,700 Washington Area residents worked in bars and restaurants in 1988. These restaurant jobs accounted for a third of all Area retail jobs, up from 29.7 percent 10 years earlier. Also over the last decade, the number of people working in apparel stores experienced a very rapid expansion of 11,100 new workers—a growth rate of 66.1 percent, the fastest growth in all of retail trade. Food stores added 16,400 employees, and produced a growth rate which was also more rapid (54.1 percent) than the industry's (45.1 percent). In addition, one of the largest and most rapid growths occurred among a variety of miscellaneous retailers (drug stores, liquor stores, book stores, jewelry stores, florists, furniture stores, appliance stores, etc.) This collection of different types of retailers added 33,000 jobs over the study period, a growth rate of 63.0 percent, making it the second fastest growing local retail group, both numerically and relatively.

Two other retail industries in the Area produced relatively slow growth. Auto dealers and service stations, while adding 8,200 employees, grew at a subindustry rate of 26.5 percent, or about 2.7 percent a year. However, general merchandise stores, including department stores, added only 500 new jobs in 10 years, for only 1.2 percent growth for the whole period. As a result, general merchandise stores declined from 16.6 percent of all Area retail jobs in 1978 to only 11.6 percent in 1988. Nationally, general merchandise stores also have been a slow growth industry. Between 1978 and 1987, this national industry only grew by 6.3 percent over the full 9 years, or about 0.7 percent a year. This pattern reflects the strong trend toward merchandise specialization in retailing over the past decade.

Total and Retail Trade Job Growth
The District of Columbia
1978 -1988



Retail Jobs in the District

In the District, the retail industry added 4,300 new jobs over the last ten years, an 8.3 percent increase. Retail employment in the City in 1988 totaled 55,900. This relatively slow rate of retail growth contrasts with a ten year job creation of 12.9 percent, or 76,800 new jobs for all industries in the District. As a result, retail jobs declined from 8.7 percent of all City jobs in 1978 to 8.3 percent in 1988. From a regional perspective, the industry in the District dropped from 21.2 percent of all Area retail jobs in 1978 to 15.9 percent in 1988. The District's share of retail jobs is, however, very similar to the District's share of the Area's total population (16.8 percent).

POPULATION AND RETAIL JOBS—1988

	Population*	Retail Jobs
Area	3,747,610	352,700
District	628,600	55,900
% D.C.	16.8	15.8

*Population for the District is for 1987.
SOURCE: Metropolitan Washington Council of Governments, Economic Trends in Metropolitan Washington 1983-1988, May 1989.

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As was the case in the Area, retail job growth in the District was not even across the study period. In the early part of this decade, the District's retail industry produced 4 years (1980-1983) of negative growth, followed by a large expansion (7.3 percent) in 1984 and smaller growth through 1988. Thus, the industry in the Disrtrict registered in the earlier years a decline reflecting the national recessions and layoffs in the Federal government. In two years (1983 & 1988), the District's retail growth rate was larger than the average rate for all industries.

Within the District's retail industry the only strong growth component has been eating and drinking places. Over the 10-year study period, this industry added 6,000 new jobs representing a 27.9 percent expansion. This was in excess of the District's overall job expansion of 12.9 percent. Like in the Area, however, the general merchandise segment of retail trade did not contribute to job growth. In fact over the 10 years, general merchandise stores in the District lost 3,300 jobs, a decline of 42.3 percent. Some of this loss represents the transfer of headquarters operations of department stores from the District to suburban locations. All other retail trade industries in the District registered only marginal growth of 1,600 jobs, or 7.2 percent. A little more than half the overall job growth of 12.9 percent.

Observations

For the Area, retail trade has been a strong growth component over the past 10 years, but its relative share of jobs among Area industries changed very little. In the District, the industry only contributed marginally to job growth. The industrial star within retail trade, both in the Area and the District, has been bars and restaurants. On the other hand, general merchandising stores, including department stores, have made almost no contribution to job growth, either from the perspective of the Area or the District. This reflects a strong shift to specialization in retailing and a shift to small shops with limited product lines. This shift also reflects a national trend in retail jobs as well. While the District has lost ground in terms of its relative share of retail jobs, the current distribution is in line with the District's relative share of Area population. By its nature, retail trade growth has a strong relationship with population growth. Where populations are growing the tendency is for retail trade to increase. Where populations are stable, retail trade tends to be stable. Thus, one should expect additional retail growth in the Area, but more limited growth in the District.

Total & Retail Trade Employment
The Washington Metropolitan Statistical Area
1978-1988
(annual averages-in thousands)

	TOTAL JOBS	TOTAL RETAIL	GEN. MDSE.	FOOD	AUTO.	APPAREL	EATING & DRINKING	MISC.
1978	1524.8	243.1	40.4	30.3	31.0	16.8	72.2	52.4
1979	1602.0	251.8	41.3	30.1	29.8	17.9	76.8	55.9
1980	1657.8	255.6	39.8	32.7	28.5	18.1	76.9	58.4
1981	1645.8	260.4	39.1	33.2	28.5	19.0	82.0	58.5
1982	1698.6	257.6	37.5	34.3	28.0	19.1	81.6	57.1
1983	1701.5	271.5	36.2	36.2	29.5	19.9	88.5	61.1
1984	1805.4	291.7	36.3	39.4	31.9	21.2	96.4	66.4
1985	1906.3	309.1	38.4	41.0	34.4	23.0	99.8	72.6
1986	1987.9	327.2	38.5	44.9	37.0	24.9	104.4	77.5
1987	2080.1	340.3	36.9	44.8	38.5	27.2	110.4	82.4
1988	2164.0	352.7	40.9	46.7	39.2	27.9	112.7	85.4

SOURCE: Department of Employment Services, Labor Market Information Staff. Current Employment Statistics (CES) program.